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October 18, 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

BY HAND DELIVERY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
Room 222
1919 M Street, N.W.
Washington, D.C. 20554

Re: Ex Parte Presentation in
MM Docket No. 93-215

DOCKET FILE COPY ORIGINAL

Dear Mr. Caton:

Pursuant to the Commission's ex parte rule, 47 C.F.R. § 1.1206, an original and one copy of this letter are being filed in MM Docket No. 93-215 as notification that representatives of the National Association of Telecommunication Officers and Advisors ("NATOA") had a conference call on Monday, October 17, 1994, at 3:00 p.m. with members of the Cable Services Bureau to discuss the proposals under consideration regarding the cable rate regulation going forward rules.

The following members of the Bureau participated in the call: Meredith J. Jones, Esq., Chief, Cable Services Bureau; Gregory J. Vogt, Esq., Deputy Chief, Cable Services Bureau; William Johnson, Esq., Deputy Chief, Cable Services Bureau; Patrick Donovan, Esq., Chief of Policy and Rules Division, Cable Services Bureau; Mary Ellen Burns, Esq., Chief of Consumer Protection Division, Cable Services Bureau; and Lisa Higginbotham, Esq., Senior Staff Attorney/Manager of Southeast Regional Team, Consumer Protection Division, Cable Services Bureau.

On behalf of NATOA, the following representatives participated in the call: Ms. Susan Littlefield, President of NATOA and Cable Regulatory Administrator for the City of St. Louis, MO; Ms. Eileen Huggard, a member

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of the NATOA Board of Directors and the Assistant Commissioner, Cable Television Franchises and Policy, Department of Information Technology and Telecommunications, the City of New York; Mr. David Hankin, Assistant General Manager, Department of Telecommunications, City of Los Angeles, CA; Joseph Van Eaton, Esq., an attorney representing a number of local governments in rate regulation proceedings; John W. Pestle, Esq., and Patrick Miles, Esq., attorneys representing a number of Michigan communities; and myself, an attorney with the law firm of Arnold & Porter, NATOA's special outside counsel on federal telecommunications matters.

The Cable Services Bureau members gave NATOA representatives a general description of the proposal under which cable operators could add a new product tier at market prices and add new channels to regulated tiers at a flat fee to be added to the basic service rate, subject to a price cap. NATOA representatives raised a number of questions and concerns regarding the proposal including how operators' revenue derived from the new channels would be taken into account in determining the appropriate price cap; how the new proposal would be implemented; how the new proposal would impact on the Form 1200s and Form 1210s; and how the new proposal relates to à la carte issues and decisions pending at the FCC. NATOA representatives expressed their concern that the effect of the proposal would be to increase rates for basic service programming that consumers may not want and wipe out any refunds that consumers may have received as a result of the rate regulation process. NATOA questioned the need for the FCC to act now and proposed that the FCC examine more closely evidence submitted by the cable industry and cable programmers that purports to show that new programs will not be distributed on cable systems unless the FCC grants operators some form of relief from rate regulation. NATOA pointed out that the evidence cited by the operators and programmers does not comport with other evidence showing that the problems new programmers have in getting their programs distributed on cable systems is the result of the monopoly power of cable operators, limited system capacity, operators' uncertainty regarding the new rate regulations, and other economic and practical reasons.

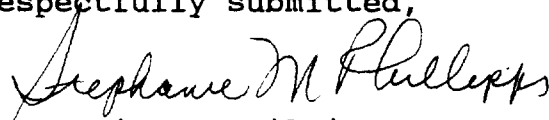
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NATOA also emphasized that local governments have exhausted their rate regulation budgets and are straining to cope with the revised rules that became effective on May 15, 1994. Additional new rules would further burden local governments' already limited resources. Such added burdens may lead some local governments to decertify.

Please contact me if you have any questions regarding this matter.

Respectfully submitted,


Stephanie M. Phillipps

cc: Meredith J. Jones, Esq.,
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